

HOUSING ASSISTANCE

(Updated on July 10, 2021)

The United States is facing a severe housing affordability crisis now made worse by the COVID-19 pandemic. Today, 1 in 5 renters are behind on their payments and more than 10 million homeowners have late mortgage payments. In addition, homelessness across the country has gotten worse during the pandemic. Roughly 580,000 people in the United States were experiencing homelessness on a given night in 2020, representing a 2.2 percent increase from 2019. By some estimates, our nation's homeless population is expected to increase twice as much as it did after the 2008 Great Recession.

To ensure people are stably housed during this crisis, Congress passed several laws that will provide direct relief to renters and homeowners and for homeless support services.

American Rescue Plan (ARP) Emergency Rental Assistance

The APR provided \$20.3 billion for rental assistance payments, building off the \$25 billion in the December 2020 COVID-19 relief package. The funds will provide financial assistance to eligible households, including for rental and utility payments. Total assistance provided to a household under the ARP and the 2020 year-end package cannot be used to cover more than 18 months of household expenses.

Households will qualify for rental assistance if they have:

- At least one member who qualified for unemployment benefits had their income reduced or experienced other financial hardship due to COVID-19.
- At least one member who can provide an eviction notice, evidence of unsafe living conditions or other information to show they are at risk of homelessness or housing instability.
- Household income that doesn't exceed 80% of the area median income.

Funds were allocated to states as well as to localities with at least 200,000 people. Each state plus the District of Columbia will receive at least \$152 million. The measure also sets aside \$305 million for several U.S. territories and \$1.2 billion for "high-need grantees" based on their population of low-income renter households, rental market costs and employment trends.

Homeowner Assistance Fund

The ARP established a \$10 billion Homeowner Assistance Fund at the Treasury Department to prevent homeowner mortgage defaults, foreclosures and displacements. Funds could be used to:

- Reduce mortgage principal amounts.
- Assist homeowners with mortgage, utilities, tax and insurance payments.
- Reimburse state and local governments for money spent since January 21, 2020, to prevent housing losses due to COVID-19.

Covered mortgages include those with an unpaid principal balance at the time of origination that was less than a loan limit set by the Federal Housing Finance Agency (\$822,375 for one-unit properties in Hawai'i).

Each state, along with the District of Columbia and Puerto Rico, will receive at least \$40 million. States must set aside at least 60% of their allocation to assist homeowners who make less than 100% of the local or national median income, whichever is greater.

Emergency Housing Vouchers

The ARP allocated \$5 billion for emergency Section 8 Housing Choice Vouchers. The Housing and Urban Development Department will provide the vouchers through public housing agencies to individuals and families who are currently or recently homeless and to those who are fleeing domestic violence, sexual assault or human trafficking.

Homelessness Assistance and Supportive Services

The ARP set aside an additional \$5 billion for state and local governments to provide supportive services for homeless and other at-risk individuals. The funds can be used to:

- Provide tenant-based rental assistance.
- Develop affordable housing.
- Offer services such as housing counseling and homelessness prevention.
- Acquire non-congregate shelter units, such as hotel rooms, that could be converted to permanent housing.

Resources for Hawai'i

The ARP provided \$166 million in rental assistance and \$50 million to help homeowners in Hawai'i cover their mortgage.

Rental assistance programs in Hawai'i are managed at the county level.

On June 7, 2021, the City & County of Honolulu reopened its Rental and Utility Relief Program to help households hit hardest financially by the COVID-19 pandemic. The program will cover past rent and utility bills, as well as current and future charges. Covered expenses include electricity, water, sewer, gas and internet service.

The City & County temporarily pauses the program to process applications and distribute funds to landlords and utility companies. For more information, visit

<https://www.oneoahu.org/renthelp>.

Specific Funds for Native Hawaiians

The ARP allocated millions to provide housing assistance for Indigenous Peoples communities throughout the United States, including for Native Hawaiians. The law included \$6.5 million for Native Hawaiian housing assistance, including:

- \$5 million to the Department of Hawaiian Home Lands (DHHL) COVID-19 Emergency Rental Assistance Program to support roughly 800 households, including beneficiaries and non-beneficiaries.
- \$1.5 million to DHLL to help current homesteaders with mortgage assistance, forbearance assistance, utilities, property taxes and other expenses.

Frequently Asked Questions

When does the federal eviction moratorium end?

While the ARP did not include an extension of the Federal Eviction Moratorium, the Centers for Disease Control and Prevention has since ordered several extensions to the moratorium with the latest being through July 31, 2021. For Hawai'i renters, Governor David Ige has extended the state's eviction moratorium through August 6, 2021. At this time, the Governor has said he has no plans to extend the moratorium further.

How does the eviction moratorium work?

During the moratorium period, residential property landlords are prohibited from filing an eviction or charging any fees for unpaid rent and fees. However, landlords can evict tenants if there is criminal activity and disturbance happening on the property.

The moratorium does not relieve the obligation to pay rent. Once the moratorium ends, tenants are responsible for any rent due. The moratorium also does not prohibit landlords from charging fees, penalties and or interest. However, following the moratorium, landlords must still issue a notice to tenants to vacate 30 days before an eviction can occur.

How do I know if I am covered by the moratorium?

To qualify for the eviction moratorium, the individual must fall within these categories:

- a) The individual has used best efforts to obtain all available government assistance for rent or housing.
- b) The individual either (i) earned no more than \$99,000 (or \$198,000 if filing jointly) in Calendar Year 2020 or expects to earn no more than \$99,000 in annual income for Calendar Year 2021 (or no more than \$198,000 if filing a joint tax return), (ii) was not required to report any income in 2020 to the Internal Revenue Service, or (iii) received an Economic Impact Payment (stimulus check).

- c) The individual is unable to pay the full rent or make a full housing payment due to substantial loss of household income, loss of compensable hours of work or wages, a lay-off or extraordinary out-of-pocket medical expenses.
- d) An eviction would likely render the individual homeless – or force the individual to move into and live in close quarters in a new congregate or shared living setting – because the individual has no other available housing options.
- e) The individual is using best efforts to make timely partial payments that are as close to the full payment as the individual's circumstances may permit, taking into account other nondiscretionary expenses.

Public housing authorities and owners can have repayment agreements for any unpaid rent so that individuals and families may continue to be housed even after the moratorium expires. Homeowners should contact their mortgage providers to assist with payment plans after the moratorium extension is over.

Renters seeking additional information regarding a possible eviction should contact the [Legal Aid Society of Hawai'i](#) or a Department of Housing and Urban Development-approved housing counselor by going [online](#) or calling 1-800-569-4287.